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CENTRAL INTELLIGENCE AGENCY



OLL 85-3631
22 November 1985

Director, Office of Legislative Liaison

NOTE TO: A/DCI

SUBJECT: Taxing the Retirement Annuity

o All of Washington learned thru Mike Causey's column of a provision in the tax bill for prorating the tax exempt contribution rather than continuing the present arrangement.


o Status of the bill: House Ways & Means to report it out at end of next week; floor debate 2-3 December. On Senate agenda early next session (which begins 3 January 1986)

o Its impact would be dramatic. It is said to have "full steam support of the Administration." Hundreds/thousands of phone calls have resulted in Working Group of local-area Congressmen to kill or delay the bill. Options include grandfather clause, phased-in or single delay (like one year).

o Many agencies/departments saying they could lose the top 20-25% of their organizations.

o Info above from Minority Whip's office.

STAT


Charles A. Briggs

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